

***Distressed Areas in a Growing Economy. Research and Policy Committee of the Committee for Economic Development, Statement on National Policy. New York : CED, June, 1961. 74 pp.***

Richard S. Thomas

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Population across the Appalachians. » D'autres encore ont un thème central qui fixe la date et l'endroit de l'étude, tels que « Geography of the Middle and Southern Interior in the Steamboat Period, 1820-1850. » La période considérée était celle du règne des vapeurs et la région était directement concernée par ce mode de transport sur les rivières de l'intérieur. Donc, tout au long du livre on retrouve cette optique à la fois spatiale et temporelle suivant la progression des Européens à travers le territoire américain.

Nous félicitons d'abord le département de géographie de l'université de Chicago pour avoir pris l'initiative de publier ce volume et, ensuite, M. William A. Koelsch pour son travail soigneux d'édition.

John M. CROWLEY

## RÉGIONS DE SOUS-EMPLOI AUX ÉTATS-UNIS

**Distressed Areas in a Growing Economy.** Research and Policy Committee of the Committee for Economic Development, Statement on National Policy. New York : CED, June, 1961. 74 pp.

Increased automation of machinery and efficiency of method in the production of goods and services are resulting in growing levels of unemployment in technically advanced economies. Such structural change is spatially reflected, so that small and large areas of economic stress (or distress) are becoming more numerous and conspicuous. Canada and the United States are especially concerned with these trends and associated problems, inasmuch as the technological revolution has left a marked imprint in both countries and offers promise of even more change.

*Distressed Areas in a Growing Economy*, a statement on national policy by the Committee for Economic Development, is one of a spate of attempts to evaluate the problems of areas of internal economic stress. The Committee for Economic Development is a private group of 200 prominent businessmen and educators who have combined their efforts, with the aid of selected consultants, to publish both short statements such as that under review and longer, more detailed monographs treating pertinent economic problems of concern to the United States.

This particular publication lists sixteen specific recommendations for identifying and aiding areas of internal economic stress in the United States. The recommendations involve cooperation among Federal, state and local authorities and interested persons in the delimitation, appraisal, and policy recommendation of each distressed area. The primary responsibility would be at the Federal level of government, where a specified executive would provide leadership notably in identifying areas of stress and in securing maximum cooperation among Federal agencies on the one hand, and between Federal and lower levels of government and private groups on the other, in searching for solutions to the problem of internal economic stress. In addition, the Federal government would provide technical assistance to lower levels of government in general planning, including vocational training and education, and would take cognizance of distressed areas in such projects as urban renewal and in locating certain new Federal government facilities. Each Federal Reserve Bank would establish a Development Corporation to finance promising business ventures. Rapid amortization would be allowed to aid in financing new plants located in areas of stress. However, the Federal government would not favour areas of stress in locating defense installations, and would not provide outright grants, even for public facilities, in stricken areas. In short, the primary theme of this report is that the role of the Federal government should be benignly paternalistic, with basic responsibility left to private individuals and groups and to governmental organizations in the distressed areas.

This view is myopic. If those to whom the report would designate the primary responsibility were sufficiently able to cope with the complex circumstances causing their condition, distressed areas would not exist. The forces in operation in a modern economy, affecting localities differentially and selectively but nonetheless pronouncedly, can be identified, evaluated, and treated effectively at the highest level of examination and authority. In short, even within democracies like Canada and the United States where private individuals and provincial and local governments understandably are mindful of their rights, the promulgation of a national economic

plan is not only wise but necessary. Such a plan need not be autocratically administered from the peak of the power pyramid but, like a modern urban plan, can indicate objectives and optimum means — specific means for the immediate four or five years, and general guide lines beyond. Its existence need not be an antithesis to free elections ; indeed, campaigns could be conducted on the nature of the plan's objectives and the degree of success in reaching those objectives.

In this respect, a major deficiency in the report under review is its association of internal economic stress only with unemployment. In May, 1961, one month before the CED report was published, a program came into existence in the United States that was known as the Area Redevelopment Program. Its purpose was to identify and aid areas of stress within the country. In identifying areas of internal stress, the Area Redevelopment Administration, which was created as an agency within the Department of Commerce to manage the Program, wisely used income as well as employment as an identifying criterion. Rural areas suffering from underemployment as well as other, chiefly urban, areas suffering from unemployment thereby were brought into focus.

Although the Area Redevelopment Program has existed for only two years, too short a time for a full judgment, it rests upon a foundation more in keeping with our times than that recommended by the CED report. In Area Redevelopment legislation, the role of the Federal government is more dynamic than that recommended in this report, especially in that both loans and grants, the latter for public facilities only, are available directly through the Area Redevelopment Administration. However, the ARA program also is lacking in basic planning information and is very cognizant of the viewpoints and opinions of localities — so much so, in the opinion of this reviewer, that it is not as effective as it could be.

Richard S. THOMAN,  
*Queen's University*

### LE DÉCLIN DE LA VILLE CENTRALE AUX ÉTATS-UNIS

VERNON, Raymond. **The Changing Economic Function of the Central City.** Published by the Committee for Economic Development, 711 Fifth Avenue, New York 22, New York. January, 1959.

In an attempt to find the answer to why the inner core and the central city as a whole have been losing ground in economic development to its peripheral areas, Raymond Vernon, Director of the New York Regional Study, compares costs of labor, transportation, rents, taxes, and other costs of conducting business in principal central cities as opposed to the surrounding. Upon examination of these costs the author concludes that although differences do exist, they are not strong enough to account for the decay of the inner city.

The conclusions seem valid with the possible exceptions of rents and taxes. With respect to rents, one may suggest that it is only the most profitable and highly capitalized concerns that can even think about relocating while the smaller, less profitable businesses without a surplus of capital or borrowing power are left behind unhappily in the inner core. If taxes are not a primary reason for relocation, as Vernon suggests, then businesses concerns are deprived of the strongest reason chosen by themselves as their prime reason for relocating. Facts and the attempt to create public sympathy do not always run in parallel lines and may be the reason why the author's facts and the statements of many business concerns do not coincide.

Transportation costs are cited as a substantial reason for many industries to relocate or stay in the inner city. Transportation costs often are actually a negligible portion of the total costs of most articles of manufacture or retail and are not of significant import to dissuade a firm from relocating. Dr. Vernon also suggests that retail buyers will not take on extensive transportation costs in order to engage in competitive buying. It would seem that this statement is converse to all general appearances. It would appear that except for staple uncompetitive products, the public will transport themselves incredible distances that often seem out of proportion to the amount saved on purchase price.

If the above components of business are not substantially different in the suburban areas than in the central city, what then is the cause for the mass migration of some industries from the